

REQUEST FOR PROPOSALS

Financial Advisor for the Bond Program



RFP #600-10-613
www.energy.state.ca.gov/contracts
State of California
California Energy Commission
May 2011

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I. Introduction

BACKGROUND

The Energy Efficiency Master Trust Revenue Bond Series include issues 2003A (dated April 27, 2003 for \$28,005,000) and 2005A (dated May 11, 2005 for \$36,955,000). Repayments from pledged loans from the Energy Conservation Assistance Program (ECA) and Local Jurisdiction Account (LJA) support each series. Loan payments used in support of the bonds are made semi-annually in June and December of each year to the Energy Commission and include unscheduled loan payments. Several bond sub-account funds are invested through Guaranteed Investment Contracts (GICs) and a Repurchase Agreement at specified interest rates through Wells Fargo Bank and the Royal Bank of Canada. The bond issues are audited annually. Continuing disclosure reports are filed annually, and rebate arbitrage calculations are prepared annually and filed on a five year computation date.

PURPOSE OF RFP

The purpose of this Request for Proposals (RFP) is to select an expert Financial Advisor to provide investment monitoring and programmatic advice, to counsel Energy Commission staff in their administrative interactions with various bond program contractors (audit, rebate, bond counsel), and other outside participants in the revenue bond program (trustee, issuer, investment contacts). This solicitation will also provide assistance in structuring another bond issue from energy related funds, make public comments and presentations, provide training concerning financial matters affecting Energy Commission program activity and provide advice and recommendations to Energy Commission staff in managing the complexities of the tax exempt revenue bond program.

KEY ACTIVITIES AND DATES

Key activities and times for RFP are presented below.

ACTIVITY	ACTION DATE
RFP Release	May 27, 2011
Deadline to Submit Questions	June 7, 2011
Distribute Questions/Answers and Addenda (if any) to RFP	June 13, 2011
Deadline to Submit Proposals by 3:00 p.m.	June 23, 2011
Notice of Proposed Award	July 6, 2011
Commission Business Meeting	August 10, 2011
Contract Start Date	August 29, 2011
Contract Termination Date	June 30, 2014

AVAILABLE FUNDING AND HOW AWARD IS DETERMINED

There is \$110,000 available for the contract resulting from this solicitation. This is an hourly rate plus cost reimbursement contract and the award will be made to the responsible Bidder receiving the highest points.

The Energy Commission reserves the right to reduce the contract amount to an amount deemed appropriate in the event the budgeted funds do not provide full funding of Energy Commission contracts. In this event, the Contractor and Commission Contract Manager (CCM) shall meet and reach agreement on a reduced scope of work commensurate with the level of available funding.

I. INTRODUCTION CONTINUED

QUESTIONS

During the RFP process, questions of clarification about this RFP must be directed to the Contracts Officer listed in the following section. You may submit written questions via mail, electronic mail, and by FAX. However, all questions must be received by 5:00 pm on the deadline to submit questions.

Any verbal communication with an Energy Commission employee concerning this RFP is not binding on the State and shall in no way alter a specification, term, or condition of the RFP. Therefore, all communication should be directed in writing to the Energy Commission's Contract Officer assigned to the RFP.

CONTACT INFORMATION

Sherri Bower, Contracts Officer
California Energy Commission
1516 Ninth Street, MS-18
Sacramento, California 95814
Telephone: (916) 654-7093
FAX: (916) 654-4423
E-mail: sbower@energy.state.ca.us

RESPONSES TO THIS RFP

Responses to this solicitation shall be in the form of a Technical and Cost Proposal according to the format described in this RFP. The Technical Proposal shall document the Bidder's approach, experience, qualifications, and project organization to perform the tasks described in the Scope of Work, and the Cost Proposal shall detail the Bidder's rates to perform such tasks.

REFERENCE DOCUMENTS

Bidders responding to this RFP may want to familiarize themselves with the following documents for both bond issues 2003A and 2005A:

- Master Trust Agreement
- Bond Indentures
- Secured Loan Agreements
- Official Statements
- Most recent Bond Audits
- Tax Agreements

All above reference documents are available online at:

http://www.energy.ca.gov/efficiency/revenuebonds/bond_related_documents

II. Scope of Work and Deliverables

ABOUT THIS SECTION

This section describes the contract scope of work and deliverables.

GENERAL REQUIREMENTS

WORK AUTHORIZATIONS

This is a “Work Authorization” contract and no work shall be undertaken unless authorized by the Energy Commission through a specific written document called a Work Authorization (WA). Each WA shall define the scope of work, the deliverables, the schedule of deliverables and the project budget for work requested by the Energy Commission. The Contractor shall begin work only when a written WA is signed by both the CCM and the Contractor and has been approved by the Department of General Services.

TASK 1: CONTRACT MANAGEMENT

TASK 1.1 – MANAGEMENT OF WORK AUTHORIZATIONS

The goal of this task is to provide technical assistance to the CCM in preparing Work Authorizations that adequately address the administrative, bond compliance, and technical needs of the Energy Commission with respect to the revenue bond program.

The Contractor shall:

- Utilize financial expertise to ensure language in the Work Authorizations developed during the term of this contract meet the requirements needed to ensure bond compliance, financial analysis, and other tasks listed below are completed to the satisfaction of the Energy Commission.
- Draft WAs if requested by CCM.

Deliverables:

- Work Authorizations

TASK 1.2 - KICKOFF MEETING

The Contractor shall:

- Attend a “kick-off” meeting with the Energy Commission Contract Manager, Contracts Officer, and the Accounting Office. The Contractor shall include at a minimum their Project Manager, Contract Administrator, and Accounting Officer. The administrative and technical aspects of this contract will be discussed.

TASK 1.3 - INVOICES

The Contractor shall:

- Prepare an invoice for all reimbursable expenses incurred performing work under this contract in compliance with the Terms and Conditions of the contract. Official invoices must be submitted to the Energy Commission’s Accounting Office.

II. SCOPE OF WORK AND DELIVERABLES CONTINUED

TASK 1.4 - SUBCONTRACTORS

In the event Subcontractors are part of the Contractor's Proposal, the Contractor shall:

- Manage and coordinate subcontractor activities. The Contractor is responsible for the quality of all subcontractor work and the Energy Commission will assign all work to the Contractor. If the Contractor decides to add new subcontractors, they shall: 1) comply with the terms and conditions of the contract and 2) notify the CCM who will follow the Energy Commission's process for adding or replacing subcontractors.

TASK 1.5 - QUARTERLY PROGRESS REPORTS

The goal of this task is to periodically verify that satisfactory and continued progress is made towards achieving the objectives of the project.

The Contractor shall:

- Prepare quarterly progress reports that summarize all contract activities conducted by the Contractor for the reporting period, including an assessment of the ability to complete the contract/work authorization within the current budget and any anticipated cost overruns.
- Each progress report is due to the CCM within 15 calendar days after the end of the reporting period.

Deliverables:

- Quarterly Progress Reports

TASK 1.6 - FINAL REPORT

The goal of this task is to prepare a comprehensive written Final Report that describes the original purpose, approach, results, and conclusions of the work done under this contract. The CCM will review and approve the Final Report. The Final Report must be completed on or before the termination date of the contract.

The Final Report shall be a public document. If the Contractor has obtained confidential status from the Energy Commission and will be preparing a confidential version of the Final Report as well, the Contractor shall perform the following subtasks for both the public and confidential versions of the Final Report.

The Final Report shall include, but not be limited to, an analysis of:

- The work accomplishments of the Agreement
- The effectiveness of the Agreement in meeting the objectives of the program
- Future activities recommended to increasing the effectiveness of the program

The Contractor shall:

- Prepare a draft Final Report for this contract.
- Submit an electronic draft Final Report to the CCM for review and comment. The CCM will provide written comments within 15 calendar days of receipt.
- Prepare and submit a Final Report that addresses all of the CCM's comments on the draft Final Report. Any problematic recommended changes should be discussed with the CCM. Once final editing is completed, the CCM shall provide written approval to the Contractor within seven calendar days.
- Submit one bound copy of the Final Report with the final invoice.

II. SCOPE OF WORK AND DELIVERABLES CONTINUED

Deliverables:

- Final Report (draft and final)

TASK 2 - FINANCIAL ANALYSIS AND RECOMMENDATIONS

The goal of this task is to provide the tools for Energy Commission staff to manage the tax exempt revenue bond program. Due to the complexities involved in transferring funds between the rebate arbitrage accounts and sub-accounts, an experienced financial analyst is needed to analyze the overall structure and flow of funds within the bond program. The high level of accounting transactions involved in the revenue bond fund requires significant analysis and monitoring, and requires significant financial expertise to provide financial analysis to the Energy Commission.

The Contractor shall:

- Review and/or prepare financial analysis and recommendations for:
 - Bond program structure and flow of funds
 - Investments
 - Cash-flow strategies
 - Rebate arbitrage calculation formulas
 - Monitoring of investments, including advice for:
 - Compliance with cash-flow certificate preparation
 - Future scenario risk analysis, etc.
- Provide ongoing advice and analysis on bond financial structure

TASK 3 - TECHNICAL ASSISTANCE FOR BOND COMPLIANCE

The goal of this task is to provide technical assistance to ensure overall bond compliance. To perform this task, the Energy Commission requires assistance in tax analysis and rebate calculation interpretation and compliance with administrative requirements in the bond documents.

The Contractor shall:

- Provide administrative assistance to coordinate with the various bond program contractors and participants, including those parties within and outside the Energy Commission responsible for the following:
 - Tax liability analysis and advice
 - Document covenant interpretation
 - Bond audit recommendations, follow-up procedures, coordination, and tracking of accounts and sub-accounts
- Provide advice and recommendation on compliance and implementation of bond requirements for existing and new loans funded with bond proceeds.
- Assist CCM, upon request, to ensure all other compliance issues are met.
- Provide communication and coordination assistance for the bond team in a format to be stated in the work authorization, which is consistent with industry procedures such as e-mails, teleconferences, WebEx, etc.

II. SCOPE OF WORK AND DELIVERABLES CONTINUED

TASK 4 - BOND ADMINISTRATION AND MANAGEMENT

The goal of this task is to provide Energy Commission staff with proper advice and recommendations for administering the tax exempt revenue bond program. This advice may include training Commission staff on various aspects of bond program.

The Contractor shall:

- Provide proper advice and recommendations to the Energy Commission, upon direction of the CCM, in managing the complexities of the tax exempt revenue bond program, including:
 - Providing public comments and presentations when necessary
 - Coordinating training and workshops for Energy Commission staff
 - Assist staff with documenting bond activities necessary for administration of bond document requirements

TASK 5 - ACCOUNTING COMPLIANCE AND COORDINATION

The goal of this task is to ensure bond program accounting compliance and coordination. Due to the frequent number of accounting transactions, expertise is required to keep current of General Accounting Standards Board (GASB) auditing regulations and interpret bond related tax laws, the California Energy Commission requires assistance to coordinate among Energy Commission staff and the auditing and rebate contractors. Assistance is needed to ensure compliance with all applicable bond related regulations and laws.

The Contractor shall:

- Provide input to the program during annual accounting audits and as determined necessary by the CCM.
- Assist the Energy Commission in meeting new GASB auditing requirements and other accounting requirements in the bond documents.

TASK 6 - NEW FINANCING PROGRAM DEVELOPMENT

The goal of this task is to provide the Energy Commission with advice and recommendation on new financing program development. Due to the complexities and the need for subject matter expertise, the Energy Commission requires assistance in developing funding options if the Energy Commission pursues a new bond series under the Master Trust Agreement.

The Contractor shall:

- Assist in the planning, development and implementation of any new Energy Commission bond series under the Master Trust Agreement.

III. Evaluation Process and Criteria

ABOUT THIS SECTION

This section explains how the Proposals will be evaluated. It describes the evaluation stages, preference points, and scoring of all Proposals. A Bidder's Proposal will be evaluated and scored based on its response to the information requested in this RFP.

PROPOSAL EVALUATION

To analyze all Proposals, the Commission will organize an Evaluation Committee. The Proposals will be analyzed in two stages:

Stage One: Administrative and Completeness Screening

The Contracts Office will review Proposals for compliance with administrative requirements and completeness. Proposals that fail Stage One may be disqualified and eliminated from further evaluation.

Stage Two: Technical and Cost Evaluation of Proposals

Proposals passing Stage One will be submitted to the Evaluation Committee to score Proposals based on the Evaluation Criteria in this Section. The total score for each Proposal will be the average of the combined scores of all Evaluation Committee members.

Proposals not attaining a score of 70 percent of the total possible points will be eliminated from further competition. All Preferences will be applied, if applicable, to all Proposals attaining a minimum of 700 points. The contract shall be awarded to the responsible Bidder with the highest score, after application of Preferences.

NOTICE OF PROPOSED AWARD

The Commission will post a Notice of Proposed Award (NOPA) at the Commission's headquarters in Sacramento, on the Commission's Web Site, and will mail the NOPA to all parties that submitted a Proposal.

III. EVALUATION PROCESS AND CRITERIA CONTINUED

SCORING SCALE

The Evaluation Committee will give a score from zero (0) to ten (10) for each criterion described below. The point calculations reflect the averages of the combined scores of all Evaluation Committee members.

Point Scale

0 Points	<ul style="list-style-type: none">✓ Is not in substantial accord with the RFP requirements.✓ Has a potential significant effect on the amount paid or net cost to the State or the quality or quantity of product and/or service.✓ Provides an advantage to one competitor over the other competitors, for example, not paying minimum wages.
1-3 Points	<ul style="list-style-type: none">✓ The Proposal states a requirement, but offers no explanation of how or what will be accomplished.✓ The response contains a technical deficiency which is an inaccurate statement or reference concerning the how, what, where, or when, which is part of an overall statement or description.
4-6 Points	<ul style="list-style-type: none">✓ Satisfies the minimum requirements and describes generally how and/or what will be accomplished.
7-9 Points	<ul style="list-style-type: none">✓ Satisfies the minimum requirements and specifically describes how and/or what will be accomplished in an <u>exemplary manner</u>, using sample products and illustrative materials (i.e., diagrams, charts, graphs, etc.).
10 Points	<ul style="list-style-type: none">✓ Exceeds the minimum requirements and specifically describes how and/or what will be accomplished both quantitatively and qualitatively, using sample products and illustrative materials (i.e., diagrams, charts, graphs, etc.).

PREFERENCE POINTS

A Bidder may qualify for non-technical preference points described below. Each qualifying Bidder passing the minimum technical evaluation will receive the applicable preference points.

Disabled Veteran Business Enterprise Incentive

The DVBE Incentive program was established pursuant to Military & Veterans Code Section 999.5(2) and Department of General Services' Regulations 2 CCR 1896.98 et.seq. The information in Attachment 3.1 explains how the incentive is applied and how much of an incentive will be given.

Small / Microbusiness

Bidders who qualify as a State of California certified small business will receive five percent (5%) preference points based on the highest responsible Bidder's total score, if the highest scored Proposal is submitted by a business other than a certified small business. Bidders qualifying for this preference must submit their Small Business Certification and document their status in Attachment 1, Contractor Status Form.

Non-Small Business

The preference to a non-small business Bidder that commits to small business or micro-business subcontractor participation of twenty-five percent (25%) of its net bid price shall be five

III. EVALUATION PROCESS AND CRITERIA CONTINUED

percent (5%) of the highest responsive, responsible Bidder's total score (RFP secondary). A non-small business, which qualifies for this preference, may not take an award away from a certified small business. Bidders qualifying for this preference must document the small business status of all subcontractors on Attachment 3.4 and submit all applicable Small Business Certifications.

Target Area Contract Preference Act/ Enterprise Zone Act/ Local Agency Military Base Recovery Act

The following preferences will be granted for this solicitation. Bidders wishing to take advantage of these preferences will need to review the websites stated below and submit the appropriate response with their bid.

Target Area Contract Preference Act (TACPA)

The Target Area Contract Preference Act (Government Code Section 4530 et seq.) provides five percent (5%) preference points to California-based companies that perform state contract work in a distressed area. Bidders should review the information located at <http://www.documents.dgs.ca.gov/pd/poliproc/tacpaprocedure.pdf> to determine if they qualify for this preference.

Enterprise Zone Act (EZA)

The Enterprise Zone Act (Government Code Section 7070, et seq.) provides preference points as an incentive for business and job development in distressed and declining areas of the State. Bidders should review the information located at <http://www.documents.dgs.ca.gov/pd/poliproc/ezaprocedure.pdf> to determine if they qualify for this incentive.

Local Agency Military Base Recovery Act (LAMBRA)

The Local Agency Military Base Recovery Act (Government Code Section 7118, et seq.) provides five percent (5%) preference points to California-based companies that perform State contract work in the LAMBRA. Bidders should review the information located at <http://www.documents.dgs.ca.gov/pd/poliproc/lambraprocedure.pdf> to determine if they qualify for this preference.

The TACPA, EZA, and LAMBRA preferences only apply to California based firms that demonstrate and certify under penalty of perjury that at least 50% of the total labor hours for manufactured goods or 90% of the total labor hours for services will be performed in distressed areas. The maximum preference that can be given for any bid may not exceed 9% up to \$50,000.00.

Bidders wishing to take advantage of these preferences are required to submit the following applications/forms with their bid:

- TACPA (Std. 830) and/or EZA (Std. 831) and or LAMBRA (Std. 832)
- Bidder's Summary of Contract Activities and Labor Hours (DGS/PD 526)

If you have further questions or need additional information on this matter, please contact TACPA/EZA/LAMBRA Preference Program Group at (916) 375-4609.

III. EVALUATION PROCESS AND CRITERIA CONTINUED

EVALUATION CRITERIA WORKSHEET

EVALUATION CRITERIA		
A. General Approach to Scope of Work	Weight Factor	Total Possible Score
1. Overall response to the work statement: <ul style="list-style-type: none"> Clarity, succinctness and organization of Proposal 	6	60
2. Innovative approaches to work tasks	6	60
B. Approach to Tasks in the Scope of Work		
1. <ul style="list-style-type: none"> Demonstrated understanding of bond program structure, flow of funds, investments, cash-flow strategies, overall funding efficiency Demonstrated ability to provide programmatic advice, monitoring of investments, future scenario risk assessment, and document covenant interpretation 	8	80
2. <ul style="list-style-type: none"> Demonstrated knowledge of compliance requirements, auditing, rebate and tax issues, document covenant interpretation Understanding of parties involved in bond compliance issues; auditor, rebate specialist, bond counsel, issuer 	8	80
3. <ul style="list-style-type: none"> Demonstrated understanding of auditing requirements and ability to support Commission in resolving audit preparation procedures 	9	90
4. <ul style="list-style-type: none"> Demonstrates thorough understanding of all aspects of bond issuance steps and parties involved Understanding of scenario analysis for bond sizing, market demand and market timing Knowledge of municipal financing structures 	9	90
C. Client References		
<ul style="list-style-type: none"> Strength of Reference and Credibility Relevance of references to Work Statement tasks Validation of experience and performance as reflected in client reference questions 	3	30

III. EVALUATION PROCESS AND CRITERIA CONTINUED

D. Firm & Staff Qualifications		
<ul style="list-style-type: none"> Awards and achievements received Team knowledge of State revenue bond issue procedures Length of time Team has performed financial advisory services for State issued revenue bonds Availability of Team members to work on the Energy Commission contract Qualifications of Team members performing the tasks described in the Scope of Work. Relevance of recently completed work as it relates to this Scope of Work. Location of satellite offices and headquarters, and recommended approach to minimize costs to the State. 	12	120
E. Experience		
<ul style="list-style-type: none"> Overall relevant financial experience of staff Experience with bond issues similar to the Energy Commission's Master Trust Revenue Bonds Technical knowledge to complete quantitative tasks 	9	90
F. COST EFFECTIVENESS		
1. Average Hourly Rate. The Score for this criteria will be derived from the mathematical formula set forth below, which compares the cumulative average hourly rate of all hourly rates listed in the subject Bidder's Cost Bid, with the cumulative average hourly rate of all hourly rates listed in the Lowest Bidder's cost bid .	20	200
2. Justification. Bidder has justified all proposed personnel identified in its bid for all technical areas and functions to be performed by Prime and Team Members.	10	100
Total Possible Technical Points		700
Total Possible Cost Points		300
Maximum Points Available		1000
Minimum Passing Score (70%)		700
Disabled Veteran Business Enterprise Incentive		
Small/Micro Business Preference		
Non-Small Business Preference		
TACPA/EZA/LAMBRA Preference		
BIDDER'S FINAL SCORE		

III. EVALUATION PROCESS AND CRITERIA CONTINUED

Cost Formula for calculation of average hourly rate score (criterion F.1. above)

NOTES:

- **Loaded rates:** For purposes of the calculations for the score on F.1., we will use the loaded hourly rates, as listed in the budget sheet Attachment B-3 in Attachment 7.

“**Lowest Bidder**” is defined as the Bidder with the lowest cumulative average hourly rate for all prime contractor and subcontractor personnel.

For example (using the following arbitrary hourly rates and fictional cost bids):

Bidder 1

Prime Contractor

Project Manager: \$100/hr

Subcontractor A

Engineer I: \$90/hr

Engineer II: \$100/hr

Engineer III: \$110/hr

Subcontractor B

Engineer IV: \$120/hr

Bidder 1's cumulative average hourly rate = $100 + 90 + 100 + 110 + 120$ divided by 5 = \$104

Bidder 2

Prime Contractor

Project Manager: \$100/hr

Subcontractor A

Engineer I: \$100/hr

Engineer II: \$110/hr

Engineer III: \$120/hr

Subcontractor B

Engineer IV: \$130/hr

Bidder 2's cumulative average hourly rate = $100 + 100 + 110 + 120 + 130$ divided by 5 = \$112

Bidder 3

Prime Contractor

Project Manager: \$110/hr

Subcontractor A

Engineer I: \$110/hr

Engineer II: \$120/hr

Engineer III: \$130/hr

Subcontractor B

Engineer IV: \$140/hr

Bidder 3's cumulative average hourly rate = $110 + 110 + 120 + 130 + 140$ divided by 5 = \$122

In the examples above, Bidder 1 would be the Lowest Bidder.

III. EVALUATION PROCESS AND CRITERIA CONTINUED

The formula for calculating the Total Score for criterion F.1. is as follows:

FIRST: Calculate Cumulative Average Hourly Rate

For each Bidder, we calculate the average rate, by adding all rates, and dividing by the number of rates:

Sum of all rates divided by Number of Rates Given = Average Hourly Rate for each Bidder:
\$_____

SECOND: Compare Rates (Create Fraction)

Then we compare rates of all the Bidders, by creating a fraction of the Bidder's rate, compared to the lowest Bidder's rate. The lowest Bidder will have the highest number of points:

(Lowest Bidder's Cumulative Average Hourly Rate divided by Bidder's Cumulative Average Hourly Rate) x 10 = Points

THIRD: Apply Weight Factor

Finally, we multiply the number of points by the weight factor:

Weight Factor X Points = Total Score

Example of Cost Score Calculation, using the above examples:

Cumulative Average Hourly Rates: Bidder #1 = \$104, Bidder #2 = \$112, Bidder #3=\$122

<i>Bidder #1</i> 104 divided by 104 X 10 = 10			<i>Bidder #2</i> 104 divided by 112 X 10 = 9.3			<i>Bidder #3</i> 104 divided by 122 X 10 = 8.5		
Weight Factor	Points	Total Score	Weight Factor	Points	Total Score	Weight Factor	Points	Total Score
20	10	200	20	9.3	186	20	8.5	170

IV. Proposal Format, Required Documents, and Delivery

ABOUT THIS SECTION

This section contains the format requirements and instructions on how to submit a Proposal. The format is prescribed to assist the Bidder in meeting State bidding requirements and to enable the Commission to evaluate each Proposal uniformly and fairly. Bidders must follow all Proposal format instructions, answer all questions, and supply all requested data.

REQUIRED FORMAT FOR A PROPOSAL

All Proposals submitted under this RFP must be typed or printed using a standard 11-point font, single-spaced and a blank line between paragraphs. Pages must be numbered and sections titled and printed back-to-back. Spiral or comb binding is preferred and tabs are encouraged. Binders are discouraged.

NUMBER OF COPIES

Bidders must submit the original and 6 copies of the Proposal (Sections 1 and 2).

Bidders must also submit electronic files of the Proposal on [CD-ROM diskette](#) along with the paper submittal. Electronic files must be in Microsoft Word XP (.doc format) and Excel Office Suite formats. Completed Budget Forms, Attachment 7, must be in Excel format. Electronic files submitted via e-mail will not be accepted.

PACKAGING AND LABELING

The original and copies of the Proposal must be labeled "Request for Proposal 600-10-613," and include the title of the Proposal and the appropriate section number:

Include the following label information and deliver your Proposal, in a sealed package:

Person's Name, Phone #	
Bidder's Name	
Street Address	
City, State, Zip Code	
FAX #	
	RFP 600-10-613
	Contracts Office, MS-18
	California Energy Commission
	1516 Ninth Street, 1st Floor
	Sacramento, California 95814

PREFERRED METHOD FOR DELIVERY

A Bidder may deliver a Proposal by:

- U. S. Mail
- Personally
- Courier service

IV. PROPOSAL FORMAT, REQUIRED DOCUMENTS, AND DELIVERY CONTINUED

Proposals must be delivered **no later than 3:00 p.m.**, to the Commission Contracts Office during normal business hours and prior to the date and time specified in this RFP. In accordance with Public Contract Code 10344, Proposals received after the specified date and time are considered late and will not be accepted. There are no exceptions to this law. Postmark dates of mailing, E-mail and facsimile (FAX) transmissions are not acceptable in whole or in part, under any circumstances.

ORGANIZE YOUR PROPOSAL AS FOLLOWS:

SECTION 1, Administrative Response

Cover Letter

Table of Contents

Contractor Status Form

Darfur Contracting Act Form

Small Business Certification

Completed Disabled Veteran Business Enterprise Form (std. 843)

Completed Bidder Declaration form GSPD-05-105

Completed Contractor Certification Clauses

Attachment 1

Attachment 2

If applicable

Attachment 3.3

Attachment 3.4

Attachment 4

SECTION 2, Technical and Cost Proposal

Approach to Tasks in Scope of Work

Client References

Attachment 5

Firm & Staff Qualifications

Experience

Cost Proposal and Budget Forms

Attachment 7. See also F below.

The Lettered items below correspond with the evaluation criteria in section III. Please refer to the evaluation criteria for specific items the Energy Commission will use to evaluate Proposals.

A & B. Approach to tasks in Scope of Work

Describe the Bidder's approach to providing services listed in the Scope of Work, highlighting any outstanding features, including relevant qualifications and experience.

1. Provide an accurate and brief methodology of Proposal.
2. Identify experience performing similar work. Provide a brief summary of the flow of funds and cash-flow strategies. Describe market timing and market demand.
3. Describe the organizations previous innovative means to completing similar work tasks.
4. Provide a short description on bond structure. Describe the Bidder's knowledge of investment monitoring, rebate and tax analysis, audit procedures, and scenario analysis.
5. Identify the Bidder's expertise in municipal financing structures. Describe the roles and relationships of parties involved in bond compliance issues: Issuer, rebate specialist, bond counsel, auditor. Provide a short description of bond issuance steps.
6. Briefly describe the Bidder's previous work in the area of document covenant interpretation.

IV. PROPOSAL FORMAT, REQUIRED DOCUMENTS, AND DELIVERY CONTINUED

C. Client References

Each Bidder shall complete Client Reference Forms. Three client references are required for the Bidder.

1. Describe the relevant background of contract team.
2. Indicate the team expertise of State revenue bond issue procedures.
3. Identify the length of time Bidder has performed financial advisory services for State issued revenue bonds.

D. Firm & Staff Qualifications

1. Describe the organizational structure of the Bidder, including an organizational chart of the entire contract team. Describe the organization, composition, and functions to be performed by staff members of the Bidder and any subcontractors and how the staff pertains to this contract.
2. Provide a short description of each firm and key members on the team. Describe the relationship between the Contractor and subcontractors on your team. Identify and list all Bidder staff and subcontractors (all team members) who will be committed to the tasks and describe their roles.
3. Provide a current resume for all team members listed, including job classification and description, relevant experience, education, academic degrees and professional licenses.
4. Document the project team's qualifications as they apply to performing the tasks described in the Scope of Work. Describe recently completed work as it relates to this Scope of Work.
5. Identify the location of the Bidder's and Subcontractor's headquarters and satellite office(s) and proposed methods of minimizing costs to the State.
6. Describe Bidder's professional awards and achievements.
7. Identify the percentage of time each team member will be available throughout the contract.

E. Experience

1. Describe the team's general financial experience.
2. Describe the team's experience with bond issues similar to the Energy Commission's Master Trust Revenue Bonds
3. Describe the team's experience and technical knowledge to complete quantitative tasks required by the work statement.

F. Cost Proposal and Budget Forms

Cost Effectiveness

In relation to evaluation criteria F.2., explain and justify all proposed personnel identified in the Bid for all technical areas and functions to be performed by Prime and Team Members.

General Requirements

The Bidder must submit information on all the Exhibit B Budget forms (Attachment 7) which will be considered part of the formal bid submission. Rates and personnel shown must reflect rates and personnel you would charge if you were chosen as the contractor for this RFP. If the

IV. PROPOSAL FORMAT, REQUIRED DOCUMENTS, AND DELIVERY CONTINUED

budget forms are not filled out completely, your bid may be rejected. Proposals will be screened for completeness on the basis of whether or not the proposal contains sufficient information to enable a useful evaluation to be conducted.

NOTE: The information provided in these forms becomes public and will not be kept confidential.

The salaries, rates, and other costs entered on these forms become a part of the final contract. The entire term of the contract and projected rate increases must be considered when preparing the budget. The rates bid are considered maximums and shall not change during the term of the contract. The Contractor shall only be reimbursed for their actual rates up to these maximum rates.

The Bidder (Prime Contractor) and each subcontractor must complete Forms B-1 through B-3.

The Bidder (Prime Contractor) is responsible for incorporating all of the subcontractor's forms into one Excel workbook.

Cost Forms

Prime Hourly Rates	Attachment 7, Attachment B-1
Hourly Rates for each Subcontractor	Attachment 7, Attachment B-1a-z
Prime Indirect Rates	Attachment 7, Attachment B-2
Indirect Rates for each Subcontractor	Attachment 7, Attachment B-2a-z
Loaded Hourly Rate Calculation	Attachment 7, Attachment B-3

Form B-1: Unloaded Hourly Rates

1. Use one form for the Bidder (Prime Contractor) and one for each subcontractor. Insert your company or organization name at the top of the form.
2. For each person from the company or organization that will be directly billed to this Agreement:
 - List the names in alphabetical order.
 - Provide the job classifications or title.
 - Provide the **unloaded** hourly rates **for each individual and the job classification**. The maximum rates identified may be projected rates, and must include any applicable escalation factors. Average rates are **not** acceptable. Providing hourly rate ranges (e.g., \$50 - \$75) for a given period of time is also **not** acceptable. If awarded a Contract, the rates in your proposal become part of the signed Contract and may not be changed. When billing under this agreement, you must use your **actual** rates for the term of the agreement, or the maximum rates shown in this Exhibit, whichever is less.

Form B-2: Contractor Fee Calculations (Indirect Rates)

1. Use one form for the Bidder (Prime Contractor) and one for each subcontractor. Insert your company or organization name at the top of the form.

IV. PROPOSAL FORMAT, REQUIRED DOCUMENTS, AND DELIVERY CONTINUED

2. Provide fringe benefit, indirect overhead, general and administrative (G&A), and profit rates. Show this information as a percentage (%) applied to base costs. Change the column headings, if appropriate, to match your chart of accounts. Show the base costs to which you apply your various rates. List items you include in each indirect cost category (e.g., fringe benefits, overhead, and G&A, matched to your chart of accounts). If awarded a Contract, the rates in your proposal become part of the signed Contract and may not be changed. When billing under this agreement, you must use your **actual** rates for the term of the agreement, or the maximum rates shown in this Exhibit, whichever is less.

Indirect cost rates must be developed in accordance with generally accepted accounting principles and the applicable Office and Management and Budget (OMB) circulars or Federal Acquisition Regulations (FAR).

3. The Energy Commission recognizes that contractors may need to borrow money to finance the cash flow and retention requirements of the proposed Agreement. The State cannot be billed (directly or indirectly through indirect expenses) for the costs of borrowing money. The only place to recover these costs is to take them from your company's gross profit. Please pay attention to these scenarios as you develop the profit percentage used in this exhibit.

Form B-3: Loaded Hourly Rate Calculation

This form will be used for the purposes of the calculations for the score on F.1., we will use the loaded hourly rates, as listed in this attachment. The loaded hourly rate is defined as direct labor, fringe benefits, indirect rates (overhead, general and administrative, etc., as applicable), and profit (if applicable).

1. Use one form for the Bidder (Prime Contractor) and one for each subcontractor. Insert your company or organization name at the top of the form.
2. For each staff person from this company or organization that will be directly billed to this Agreement:
 - Provide the job classifications or title.
 - Insert the unloaded hourly rates in the direct labor column. You must use the rates provided on Forms B-1 and B-2 for your company or organization when calculating the loaded hourly rates. Follow the instructions provided on the form, Attachment B-3, Loaded Rate Calculation.

V. Administration

RFP DEFINED

The competitive method used for this procurement of services is a Request for Proposal (RFP). A Proposal submitted in response to this RFP will be scored and ranked based on the Evaluation Criteria. Every Proposal must establish in writing the Bidder's ability to perform the RFP tasks.

DEFINITION OF KEY WORDS

Important definitions for this RFP are presented below:

Word/Term	Definition
State	State of California
DGS	Department of General Services
Energy Commission	California Energy Commission
RFP	Request for Proposal, this entire document
Proposal	Formal written response to this document from contractor
Bidder	Respondent to this RFP
CCM	Commission Contract Manager
DVBE	Disabled Veteran Business Enterprises

COST OF DEVELOPING PROPOSAL

The Bidder is responsible for the cost of developing a Proposal, and this cost cannot be charged to the State.

PRINTING SERVICES

Per Management Memo 07-06, State Agencies must procure printing services through the Office of State Publishing (OSP). Bidders shall not include printing services in their Proposals.

CONFIDENTIAL INFORMATION

The Commission will not accept or retain any Proposals that are marked confidential in their entirety and Bidders are strongly discouraged from requesting confidential treatment for any of the information contained in a submittal.

DARFUR CONTRACTING ACT OF 2008

Effective January 1, 2009, all solicitations must address the requirements of the Darfur Contracting Act of 2008 (Act) (Public Contract Code sections 10475, *et seq.*; Stats. 2008, Ch. 272). The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with "scrutinized" companies that do business in the African nation of Sudan (of which the Darfur region is a part), for the reasons described in Public Contract Code section 10475.

V. ADMINISTRATION CONTINUED

A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 10476. Scrutinized companies are ineligible to, and cannot, bid on or submit a Proposal for a contract with a State agency for goods or services. (Public Contract Code section 10477(a)).

Therefore, Public Contract Code section 10478 (a) requires a company that currently has (or within the previous three years has had) business activities or other operations outside of the United States to certify that it is not a “scrutinized” company when it submits a bid or Proposal to a State agency. (See # 1 on Attachment 2)

A scrutinized company may still, however, submit a bid or Proposal for a contract with a State agency for goods or services if the company first obtains permission from the Department of General Services (DGS) according to the criteria set forth in Public Contract Code section 10477(b). (See # 2 on Attachment 2)

DISABLED VETERAN BUSINESS ENTERPRISES (DVBE) COMPLIANCE REQUIREMENTS

The Disabled Veteran Business Enterprise (DVBE) Program has two inter-related aspects:

Participation Goals: This RFP is subject to a mandatory participation goal of three percent (3%) certified California Disabled Veteran Business Enterprise (DVBE) as set forth in Public Contract Code Section 10115 et seq.

And,

Incentive: The DVBE Incentive Program gives a contractor an opportunity to improve their bid status based on the efforts attained from the DVBE Participation Program.

More information regarding DVBE and Small Business is located in Attachments 3.1 and 3.2.

RFP CANCELLATION AND AMENDMENTS

If it is in the State’s best interest, the Energy Commission reserves the right to do any of the following:

- Cancel this RFP;
- Amend this RFP as needed; or
- Reject any or all Proposals received in response to this RFP

If the RFP is amended, the Energy Commission will send an addendum to all parties who requested the RFP and will also post it on the Energy Commission’s Web Site www.energy.ca.gov/contracts and Department of General Services’ Web Site http://www.bidsync.com/DPX?ac=powersearch&srchoid_override=307818.

ERRORS

If a Bidder discovers any ambiguity, conflict, discrepancy, omission, or other error in the RFP, the Bidder shall immediately notify the Commission of such error in writing and request modification or clarification of the document. Modifications or clarifications will be given by written notice of all parties who requested the RFP, without divulging the source of the request for clarification. The Commission shall not be responsible for failure to correct errors.

V. ADMINISTRATION CONTINUED

MODIFYING OR WITHDRAWAL OF PROPOSAL

A Bidder may, by letter to the Contact Person at the Energy Commission, withdraw or modify a submitted Proposal before the deadline to submit Proposals. Proposals cannot be changed after that date and time. A Proposal cannot be "timed" to expire on a specific date. For example, a statement such as the following is non-responsive to the RFP: "This Proposal and the cost estimate are valid for 60 days."

IMMATERIAL DEFECT

The Energy Commission may waive any immaterial defect or deviation contained in a Bidder's Proposal. The Energy Commission's waiver shall in no way modify the Proposal or excuse the successful Bidder from full compliance.

DISPOSITION OF BIDDER'S DOCUMENTS

On the Notice of Proposed Award posting date all Proposals and related material submitted in response to this RFP become a part of the property of the State and public record. Bidders who want any work examples they submitted with their Proposals returned to them shall make this request and provide either sufficient postage, or a Courier Charge Code to fund the cost of returning the examples.

BIDDERS' ADMONISHMENT

This RFP contains the instructions governing the requirements for a firm quotation to be submitted by interested Bidders, the format in which the technical information is to be submitted, the material to be included, the requirements which must be met to be eligible for consideration, and Bidder responsibilities. Bidders must take the responsibility to carefully read the entire RFP, ask appropriate questions in a timely manner, submit all required responses in a complete manner by the required date and time, make sure that all procedures and requirements of the RFP are followed and appropriately addressed, and carefully reread the entire RFP before submitting a Proposal.

GROUND TO REJECT A PROPOSAL

A Proposal shall be rejected if:

- It is received after the exact time and date set for receipt of Proposal's pursuant to Public Contract Code, Section 10344.
- It is considered non-responsive to the California Disabled Veteran Business Enterprise participation requirements.
- It is lacking a properly executed Certification Clauses.
- It is lacking a properly executed Darfur Contracting Act.
- It contains false or intentionally misleading statements or references which do not support an attribute or condition contended by the Bidder.
- The Proposal is intended to erroneously and fallaciously mislead the State in its evaluation of the Proposal and the attribute, condition, or capability is a requirement of this RFP.
- There is a conflict of interest as contained in Public Contract Code Sections 10410-10412 and/or 10365.5.
- It contains confidential information.

V. ADMINISTRATION CONTINUED

A Proposal may be rejected if:

- It is not prepared in the mandatory format described.
- It is unsigned.
- The firm or individual has submitted multiple Proposals for each task.
- It does not literally comply or contains caveats that conflict with the RFP and the variation or deviation is not material, or it is otherwise non-responsive.
- The budget forms are not filled out completely.

PROTEST PROCEDURES

A Bidder may file a protest against the proposed awarding of a contract. Once a protest has been filed, contracts will not be awarded until either the protest is withdrawn, or the Commission cancels the RFP, or the Department of General Services decides the matter.

Please note the following:

- Protests are limited to the grounds contained in the California Public Contract Code Section 10345.
- During the five working days that the Notice of Proposed Award (NOPA) is posted, protests must be filed with the DGS Legal Office and the Commission Contracts Office.
- Within five days after filing the protest, the protesting Bidder must file with the DGS and the Commission Contracts Office a full and complete written statement specifying the grounds for the protest.
- If the protest is not withdrawn or the solicitation is not canceled, DGS will decide the matter. There may be a formal hearing conducted by a DGS hearing officer or there may be briefs prepared by the Bidder and the Commission for the DGS hearing officer consideration.

AGREEMENT REQUIREMENTS

The content of this RFP shall be incorporated by reference into the final contract. See the sample Agreement terms and conditions included in this RFP.

No Contract Until Signed & Approved

No agreement between the Commission and the successful Bidder is in effect until the contract is signed by the Contractor, approved at a Commission Business Meeting, and approved by the Department of General Services, if required.

Contract Amendment

The contract executed as a result of this RFP will be able to be amended by mutual consent of the Commission and the Contractor. The contract may require amendment as a result of project review, changes and additions, changes in project scope, or availability of funding.